



Montana Public Service Commission
1701 Prospect Avenue
PO Box 202601
Helena MT 59620-2601

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For more information, contact:
Bob Rowe – 406-444-6167
Will Rosquist – 406-444-6359

PSC PROPOSES APPROVAL OF REALLOCATION OF UNIVERSAL SERVICE BENEFIT FUNDS

On December 21, 2004, the state Public Service Commission proposed an approval of reallocation of Universal Service Benefit Funds for NorthWestern Energy. These funds will benefit low income NorthWestern Energy customers this winter. The proposed settlement would increase the discount applied to low income customers' electric and natural gas bills from 15% to 25% through April 2005.

The larger bill discounts would be achieved by reshuffling approximately \$621,000 in funds the utility collected through a state-mandated system benefits charge added to utility bills. Those funds had been earmarked for programs designed to improve energy efficiency within NorthWestern's service area. However, continued high energy costs are causing financial problems for lower income Montanans.

In addition to the Consumer Counsel, other organizations that joined NorthWestern Energy in recommending the larger bill discounts are the Montana Office of the Northwest Power and Conservation Council, Human Resource Council-District XI, Renewable Northwest Project, Natural Resources Defense Council and AARP.

An order approving the settlement will take effect on January 3, 2005, unless the PSC receives objections prior to that date. Interested persons can read the settlement at the PSC's offices, 1701 Prospect Avenue, Helena, Montana, and on the PSC's website www.psc.state.mt.us.

According to PSC Chairman Bob Rowe, "This is going to be another year of high natural gas prices nationwide. The Commission's action will provide meaningful additional assistance to many Montanans who will be struggling to make ends meet during another very tough heating season. I am happy that this is one of my final formal actions as public service commissioner."

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